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Refuses Comment on Police Official Reported on Its Payroll

CIA Denies Link to Salvador Assassins

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WASHINGTON—The CIA, replying to published charges, denied Thursday that it employs any Salvadorans involved in death squad or assassination activities but refused to comment directly on reports that the head of El Salvador's sometimes-brutal Treasury Police has been on its payroll at more than \$90,000 a year.

The CIA's careful statement, and similar comments by officials in the State and Defense departments, avoided any specific denial that the agency has used Col. Nicolas Carranza as an agent for up to six years. During most of that time, Carranza was employed by the Salvadoran Defense Ministry, he became chief of the Treasury Police last May.

Instead, two well-placed officials in Washington insisted that there is no evidence that Carranza has been personally responsible for death squad activities, and they flatly denied that he is receiving "anything like \$90,000 a year," as one of the officials said.

"I've seen really good informants who were getting nowhere close to that much," another U.S. official said. "And there's been no really good information on the death squads coming through from El Salvador."

(In San Salvador, Carranza denied all the allegations. He said he had never met a U.S. official in San Salvador who identified himself as a CIA officer and he denied receiving "anything from the Americans except friendship." He characterized the reports, and previous accounts that have linked him to right-wing death squads, as "an attempt to destroy my reputation by accusation.")

Carranza was identified as a longtime CIA agent in reports published in the New York Times and carried on the CBS television network. Those reports credited the initial accusation to a former Salvadoran official who has given interviews to those news organizations but has refused to allow his name to be used or to appear in public.

This former official allegedly was promised \$50,000 to start a new life in the United States by opponents of Reagan Administration policies in Central America if he would speak to the newsmen, according to the reports, which have not been denied.

Money Mars Credibility

Among public figures who admitted facilitating the \$50,000 gift—of which \$29,500 has been provided already—were former U.S. Ambassador to El Salvador Robert E. White and Sen. Paul E. Tsongas (D-Mass.). The largest single contributor to the '\$50,000 fund is believed to be a Democratic Massachussetts businessman. Both White and Tsongas are outspoken critics of Administration support for the Salvadoran government. An official of Americans for Democratic Action also has been identified as partici-

pating in the effort to expose Carranza.

The gift of the money has marred the credibility of the former Salvadoran official's accusation against Carranza, as well as that of the anti-Administration group.

Critics of Administration policy also were shaken Thursday by White's admission that he may have wrongly named a Salvadoran living in this country as one of six who organized and financed death squad activities. The Salvadoran, Arturo Muyshondt, said he will sue White for \$10 million. White said he had been "set up" by Administration supporters.

Responding to reports on Carranza, the CIA issued an unusual public statement that cited a standing presidential executive order forbidding it to employ any person "engaged in or conspiring to engage in assassination."

"The agency abides by that prohibition scrupulously and does not employ people whom it believes have been or are currently engaged in assassination activities. Death squad activities in El Salvador fall within this category of prohibitive participation," it said.

Reverting to standard practice, the CIA then refused to comment on charges that Carranza specifically had been or is now an agent.

One U.S. official noted that White, as ambassador to El Salvador until 1981, would probably have known if Carranza was a CIA agent.